

~~CONFIDENTIAL~~

by 65-159

TYPE OF CHANGE

PROPOSED SUPPLY DIVISION TREATMENT

Taxes

- a. Federal - 5 to 10%
- b. State - 2 to 3%
- c. Local - 3%
- d. Excise - 10 to 20%

any such taxes
Capitalize into unit cost when known at time of receipt

Duties and Entry Fees

10 to 15%

Capitalize any such fees into unit cost when known at time of receipt

Discounts

- a. Trade - ~~various~~
- b. Quantity - 1 to 50%
- c. Cash payment discounts

Capitalize by reduction of unit costs.

Exclude from SD computation.

Accommodation Procurements

Set-up Charges, Perforating Charges, Punching Charges, Binding Charges (charges commonly reflected in printing materiel purchased)

Capitalize all charges into unit cost.

These charges will be capitalized into unit cost only when known at time of receipt and when total delivery is accomplished in one single action.

Transportation Charges

dist.

The major portion of the organization procurements are consummated on an FOB basis and transportation charges would be included in the unit cost from the vendor. If transportation arrangements are other than FOB origin and the transportation charges are known at time of delivery, such charges should be capitalized into the unit cost on a pro rata basis.

Postage

Same as above
These charges will be capitalized into unit cost of materiel if the charges are known at the time of delivery and they can be computed on a pro rata basis for individual unit cost. Otherwise we will not capitalize.

Labor Charges

Same as above.

Handling Charges

Same as above.

Export Packing Charges

Same as above.